

## CENTRAL INTELLIGENCE AGENCY

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Translation of a copy of a report on the labor conference of the VVB(Z) GUS  
in Leipzig.

Leipzig, 6 December 1949

SUBJECT: Expansion of forges

Following representatives were present:

Lorenz	Commercial manager	Rosswein (N 52/K 88)
Wolf	Technical manager	Rosswein
Just	Operational manager	Rosswein
Reinhardt	Assistant	Rosswein
Richter	Plant manager	Brand-Erbisdorf (N 51/K 96)
Weintsch	Operational manager	Brand-Erbisdorf
Herrmann	Technical manager	Langenau (N 51/K 96)
Schradt	Plant manager	Langenau
Richter	Operational manager	Langenau
Beume	Chief manager	VVB GUS
Baukhage	Technical manager	VVB GUS
Buehren	Department chief	VVB GUS
Schreiber	Main section chief	Ministry of Industry in Berlin

The meeting started at 10:30 a.m. on 1 December 1949.

The technical manager Baukhage opened the session and announced that the purpose of this meeting would be to explain the necessity of expanding the GUS forges and to find out those forges that have to be expanded first. Mr. Schreiber of the Ministry of Industry had drawn up a list of the requirements and production of Soviet Zone forges, and he declared that the 1950 applications for forgings and drop forgings amount to about 70,500 tons compared with a production of about 68,530 tons. This means that a deficit of 10,000 tons has to be overcome by the expansion of the Soviet Zone forges. This 10,000 ton-deficit will be met by following expansion program:

1,000 tons by the expansion of the Wismar forge  
4,000 tons by the expansion of the Lava forge in Wildau  
5,000 tons by the expansion of the GUS forges.

As the precision forges are the greatest bottleneck, Mr. Schreiber suggested the conversion of the Brand-Erbisdorf Forge into a precision forge and the shifting of the three drop hammers of this plant to Rosswein. The conversion of the Brand-Erbisdorf Forge would cost about 2.5 million DM according to a plan already drawn up. Upon inquiry to the plant managers of the three GUS forges in Rosswein, Brand-Erbisdorf and Langenau, the technical manager Baukhage was told that in 1950 only 17,200 forgings could be produced by all five GUS forges together. This would mean a deficit of 3,400 tons compared with the established quota of 20,600 tons. In addition, a production increase of 5,000 tons is required of the GUS forges.

The total deficit of 8,400 tons must be divided into 6,000 tons of precision forgings and 2,400 tons of drop forgings. The following plants have to take over this additional production:

Langenau	1,000 tons	precision forgings
Brand-Erbisdorf	5,000 tons	precision forgings
Rosswein	2,400 tons	drop forgings

The Langenau plant management requested an investment capital of 300,000 DM to secure the required additional production of 1,000 tons of precision forgings. The annual production of the Langenau Plant would then be 6,000 tons

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of precision forgings and 1,700 tons of drop forgings, totaling 7,700 tons of forgings. The requested 300,000 DM could be met by the investment capital provided for 1950.

With its present installations, the Brand-Erbisdorf Plant can produce about 3,400 tons including 2,400 tons of precision forgings and 1,000 tons of drop forgings. The three drop hammers of the plant have to be moved to Rosswein to clear the needed space. This would be necessary to insure the additional production of 5,000 tons of precision forgings. The Brand-Erbisdorf Plant's production of 1,000 tons of drop forgings has to be taken over as additional production by the Rosswein Plant. After the expansion of its installations the annual production of the Brand-Erbisdorf Plant would total 7,400 tons, which is the present 2,400 tons plus the increase of 5,000 tons.

The Rosswein drop forge produces about 3,500 tons of drop forgings with its present installations. The total production of the Rosswein Plant would be 6,900 tons of drop forgings, including 2,400 tons required to bring production up to quota and the additional production of 1,000 tons to be taken over from the Brand-Erbisdorf Plant. The costs required to secure this total production would amount to about 2.5 million DM. 5.3 million DM are therefore needed for the expansion and conversion of all three plants.

The total production of the three plants would then amount to 22,000 tons, including 13,400 tons of precision forgings and 8,600 tons of drop forgings. The Behitz (M 52/D 75) Flange Factory produces 3,300 tons of drop forgings with its present installations.

The annual production of the Erfurt (M 51/J 36) drop forge is 300 tons. After the realization of the scheduled expansion and conversion, the total production of all five GUS forges would be 13,400 tons of precision forgings and 12,200 tons of drop forgings, totaling 25,600 tons of forgings.

Schreiber declares that there are only slight chances that the required capital would be paid out all at once. The VVB GUS must therefore make subsequent applications and try to carry out this building program in various stages.

950,000 DM have been requested for the 1950 expansion program of the forges. So far, this sum has not yet been approved by the SMA.

Mr. Richter from Brand-Erbisdorf declares that machinery for the expansion of the forges has to be supplied mainly from the West. Western DM funds would be required for these purchases.

Mr. Schreiber was requested by the technical manager Baukhage to use his influence in the Ministry of Industry for the approval of this investment. With reference to the fulfilment of the production quota Mr. Baukhage declares that high production marks were reached by the forges during the months of the competition. Production slowed down in the three following months. At present, a second competition is under way in the steel foundries. It is possible that the results of the competition would be accepted as permanent production marks. Apart from the aid of essential investments an attempt must be made to maintain the figures of the competition as normal and permanent accomplishments by the additional employment of labor and by the overhauling of the machinery.

Mr. Wolf from Rosswein held that the result of the competition cannot be fixed as permanent accomplishment as the work performance in a competition is quite different from a normal work performance.

Mr. Herrmann from Langenau suggested that other forges be investigated for machine installations and unused machines be transferred to the GUS forges

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to make them more efficient.

Mr. Richter mentioned that the forges have to request investments for large repair work as the machinery and installations are in such bad condition that there is one breakdown after the other without funds being available for large repairs.

The technical manager Baukhage finally requested the plant manager to draw up plans for the requested expansion of their plants so that expansion work can start immediately after the investments have been approved.

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